

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 6/3/2014	(3) CONTACT/PHONE Cheryl Cochran, Planner I / 805-781-1366	
(4) SUBJECT Request to approve a contract for up to \$326,000 with Wallace Group for implementation of the New Development Water Conservation Program to implement County Ordinance 3246 (urgency ordinance). Districts 1 and 5.			
(5) RECOMMENDED ACTION It is recommended that the Board:  <div style="padding-left: 40px;">Approve, and direct the Chairman to sign the attached "Agreement Between the County of San Luis Obispo and Wallace Group for Implementation of the New Development Water Conservation Program" to implement County Ordinance 3246.</div>			
(6) FUNDING SOURCE(S) New building permit applicants	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: 1/14/14, 2/25/14	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) District 1 District 5			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Cheryl Cochran, Planner I

VIA: Ellen Carroll, Planning Manager/Environmental Coordinator

DATE: 6/3/2014

SUBJECT: Request to approve a contract for up to \$326,000 with Wallace Group for implementation of the New Development Water Conservation Program to implement County Ordinance 3246 (urgency ordinance). Districts 1 and 5.

## **RECOMMENDATION**

It is recommended that the Board:

Approve, and direct the Chairman to sign the attached "Agreement Between the County of San Luis Obispo and Wallace Group for Implementation of the New Development Water Conservation Program" to implement County Ordinance 3246.

## **DISCUSSION**

### **BACKGROUND**

The Paso Robles Groundwater Basin Urgency Ordinance (Ordinance No. 3246) established a moratorium on new or expanded irrigated crop production, conversion of dry farm or grazing land to new or expanded irrigated crop production and new development dependent upon a well in the Paso Robles Groundwater Basin unless such uses offset the total amount of projected water use. The new development "offset" program (New Development Water Conservation Program) was approved through Resolution 2014-56, adopted by your Board on February 25, 2014. This contract with Wallace Group implements this program.

Under this contract, Wallace Group will oversee the work of a licensed plumber to retrofit enough existing homes in the Paso Robles Groundwater Basin Area to allow for development of up to 40 new single family dwellings. Wallace Group will track the amount of water saved as offset credits that new development applicants can purchase to fulfill the offset requirement. Wallace Group will also maintain a tracking system to monitor credits available and credits purchased.

The County will recoup program costs as offset credits are purchased by new development applicants. Costs to offset new development's water demand will equal the cost of retrofitting existing development. Staff will monitor the number of issued new development applications and those that are in progress, and will authorize only enough retrofit work for which costs can reasonably be expected to be recovered through the purchase of offset credits.

### **PROGRAM COSTS**

New development is required to purchase enough offset credits to save the estimated amount of water it will use. The default water use estimate of a new single family dwelling is 280 gallons per day. In order to save this amount of water, seven existing homes would need to be retrofitted for a total cost of \$6,496 (\$23.20 per gallon) per new single family

dwelling. Applicants for new single family dwellings may propose less water use as verified by a professionally prepared landscape and irrigation plan that identifies the exact amount of outdoor water use. In those cases, the retrofit costs will be based on the proposed and verified amount of water usage multiplied by the per-gallon cost of \$23.20.

As outlined in Resolution 2014-56, the program will retrofit up to two toilets, two showerheads, and four faucet aerators per qualifying household. The plumber will also perform a water pressure check on each household and will adjust pressure to ensure proper water pressure. All of this work will be done at no charge to qualifying households. Average per-household savings from this retrofit work will be approximately 40 gallons per day at a cost of \$928.28 per retrofitted household.

The final program costs are based on multiple factors, such as the plumber's overall cost including travel time around the groundwater basin, the need to accept a higher bid due to contractor issues, and administrative costs to set up and run the program.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

The Department of Planning and Building will oversee the contract with Wallace Group.

County Counsel has approved the contract as to form and effect.

#### **FINANCIAL CONSIDERATIONS**

Approval of this item will have no effect on the level of General Fund Support required by the Planning and Building Department, as the Department will recoup program costs as offset credits are purchased by new development applicants.

The contract amount of \$260,000 covers the cost of retrofitting to offset the estimated new water use of 40 new homes. An additional \$40,000 allows for inspection costs if applicants for new development choose to hire their own licensed plumber to perform the required retrofit work. A \$26,000 contingency is also included in the contract.

#### **RESULTS**

Approval of this contract will allow Wallace Group to manage the approved New Development Water Conservation program to implement the Paso Robles Groundwater Basin Urgency Ordinance. This is consistent with the countywide goal of promoting a livable and healthy community.

#### **ATTACHMENTS**

1. Attachment 1 - Agreement Between the County of San Luis Obispo and Wallace Group for Implementation of the New Development Water Conservation Program